Financial Statement
1998-99

Carlton Trail
Regional College

100-04001/

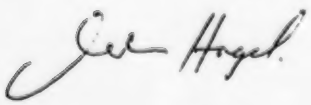
Letter of Transmittal

The Honourable L. Haverstock
Lieutenant Governor
Province of Saskatchewan

Your Honour:

I have the honour to submit for your consideration the Financial Statements of the Carlton Trail Regional College for the year ending June 30, 1999.

Respectfully submitted:



Glenn Hagel
Minister of Post-Secondary Education and Skills Training

CARLTON TRAIL REGIONAL COLLEGE
FINANCIAL STATEMENTS
JUNE 30, 1999

CARLTON TRAIL REGIONAL COLLEGE
Statement of Management Responsibility

The College is responsible for the preparation of the financi al statements and has prepared them in accordance with generally accepted accounting principles and in accordance with th e guidelines developed by Saskatchewan Post-Secondary Education and Skills Training. Th e College believes the financi al statements present fairly the College's financial position as at June 30, 1999 and the results of its operations for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the college has developed and maintains a system of internal control designed to provide reasonable assuranc e that College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

The Board of Directors is responsible for the review of the financial statements. The boar d meets with management and, as r equired, with the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Board with and without the presence of management.

The financial statements for the year ended June 30, 1999 have been reported on by E. J. C. Dudley &Co. The Auditor's Report outlines the scope of his examination and provides hi s opinion on the fairness of presentation of the information in the financial statements.

CEO

Director of Administration

AUDITORS' REPORT

To The Directors
Carlton Trail Regional College

We have audited the statement of financial position of Carlton Trail Regional College as at June 30, 1999 and the statements of operations, changes in fund balances and cash flows for the year then ended. The College is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 1999 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Wynyard, Saskatchewan
November 15, 1999

EJC Dudley & Co
Chartered Accountants

CARLTON TRAIL REGIONAL COLLEGE
Statement of Financial Position
as at June 30, 1999

	1999			
	Operating	Capital	Total	1998
ASSETS				
Current Assets				
Cash and Temporary Investments	$333,789	$ 630,567	$ 964,356	$1,101,286
Accounts Receivable (Note 3)	223,802	--	223,802	282,077
Inventories	7,612	--	7,612	7,509
Prepaid Expense	36,877	--	36,877	44,549
	$602,080	$ 630,567	$1,232,647	$1,435,421
Capital Assets (Note 4)	--	443,894	443,894	243,831
	$602,080	$1,074,461	$1,676,541	$1,679,252
LIABILITIES				
Current Liabilities				
Accounts Payable (Note 6)	$165,279	$ --	$ 165,279	$ 245,991
Deferred Revenue (Note 7)	238,424	--	238,424	333,743
Current Portion of Long Term Debt (Note 8)	--	16,935	16,935	16,161
	$403,703	$ 16,935	$ 420,638	$ 595,895
Long-Term Debt (Note 8)	$ --	$ 5,265	$ 5,265	$ 21,412
FUND BALANCES				
Invested in Capital Assets	$ -	$ 421,694	$ 421,694	$ 206,258
Externally restricted (Note 9)	--	573,884	573,884	728,000
Internally restricted as reserves (Note 9)	95,955	56,683	152,638	92,638
Unrestricted	102,422	--	102,422	35,049
	$198,377	$1,052,261	$1,250,638	$1,061,945
	$602,080	$1,074,461	$1,676,541	$1,679,252

See Accompanying Notes

APPROVED BY THE BOARD

CARLTON TRAIL REGIONAL COLLEGE
Statement of Operations
for the year ended June 30, 1999

	Operating			Capital		Total	
	Budget (Note 10)	1999	1998	1999	1998	1999	1998
Revenues (Schedule 1)							
Saskatchewan Post-Secondary Education and Skills Training	$2,198,378	$2,697,174	$2,238,059	$102,396	$750,444	$2,799,570	$2,988,503
Federal Government	669,413	831,518	424,631	15,276	-	846,794	424,631
Other Revenue	883,439	736,159	996,477	--	--	736,159	996,477
Total Revenues	$3,751,230	$4,264,851	$3,659,167	$117,672	$750,444	$4,382,523	$4,409,611
Expenses (Schedule 2)							
Contractual and Professional Services	$1,381,427	$1,281,746	$1,333,223	$ --	$ --	$1,281,746	$1,333,223
Rentals	310,349	247,338	306,698	--	--	247,338	306,698
Repairs and Maintenance	39,624	33,707	47,617	--	--	33,707	47,617
Amortization	--	--	--	90,899	82,015	90,899	82,015
Operating Expenses (Schedule 3)	566,411	550,830	514,319	2,627	1,839	553,457	516,158
Personal Services	1,453,419	1,986,683	1,412,183	--	-	1,986,683	1,412,183
Total Expenses	$3,751,230	$4,100,304	$3,614,040	$ 93,526	$ 83,854	$4,193,830	$3,697,894
Excess (Deficiency) of Revenue Over Expenses	$ --	$ 164,547	$ 45,127	$ 24,146	$666,590	$ 188,693	$ 711,717

See Accompanying Notes

Statement 2

CARLTON TRAIL REGIONAL COLLEGE
Statement of Change in Fund Balances
for the year ended June 30, 1999

	Capital			Operating			
	Invested in Capital Assets	Externally Restricted Assets	Internally Restricted Assets	Internally Restricted Assets	Unrestricted	1999	1998
Balance, beginning of the year	$206,258	$728,000	$56,683	$35,955	$ 35,049	$1,061,945	$ 350,228
Excess (Deficiency) of Revenue Over Expenses	24,146	--	--	--	164,547	188,693	711,717
Interfund Transfers	191,290	(154,116)	--	--	(37,174)	-	-
Appropriated to reserves	--	--	--	60,000	(60,000)	-	-
	$421,694	$573,884	$56,683	$95,955	$102,422		
Balances, end of year		$1,052,261		$198,377		$1,250,638	$1,061,945

See Accompanying Notes

Statement 3

CARLTON TRAIL REGIONAL COLLEGE
Statement of Cash Flows
for the year ended June 30, 1999

	1999	1998
Cash from Operating Activities		
Excess (Deficiency) of revenue over expenses	$ 188,693	$ 711,718
Amortization of capital assets	90,899	82,015
Net change in non-cash working capital	(110,187)	223,679
	$ 169,405	$1,017,412
Investing Activities		
Purchase of capital assets	($ 290,962)	($ 95,112)
Proceeds from disposals of capital assets	--	–
	($ 290,962)	($ 95,112)
Financing Activities		
Repayment of long term debt	($ 15,373)	($ 16,161)
Increase (decrease) in cash during year	($ 136,930)	$ 906,139
Cash and Cash Equivalents at the beginning of the year	1,101,286	195,147
Cash and Cash Equivalents at the end of the year	$ 964,356	$1,101,286
Cash and Cash Equivalents defined		
Cash on Hand and in Banks	$ 964,356	$1,101,286

See Accompanying Notes

CARLTON TRAIL REGIONAL COLLEGE
Schedule of Operating Fund Revenues by Function
for the year ended June 30, 1999

	ADMIN.	PROGRAMMING				SUPPORT SERVICES				
	General Revenue	Community & Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services	1999 Total	Budget	1998 Total
Post-Secondary Education and Skills Training										
Admin Recovery	$ 102,500	$ --	$ --	$ –	$ --	$ --	$ --	$ 102,500	$ 114,950	$ 53,988
Base Grant	812,661	--	--	–	--	--	–	812,661	709,100	709,100
Outreach Fund	149,510	--	9,582	7,042	64,221	--	–	230,355	164,818	250,077
Program Payments	72,375	13,300	292,211	950,918	--	64,369	69,032	1,462,205	783,037	1,193,609
Other	5,648	71,616	12,189	–	--	--	–	89,453	426,473	31,285
	$1,142,694	$ 84,916	$313,982	$ 957,960	$ 64,221	$ 64,369	$69,032	$2,697,174	$2,198,378	$2,238,059
Federal Government										
Admin Recovery	$ 1,554	$ --	$ --	$ --	$ --	$ --	$ --	$ 1,554	$ 97,131	$ 95,828
Seat Purchases	--	--	39,489	265,657	--	--	–	305,146	139,580	176,416
Projects	--	403,156	12,176	–	--	--	–	415,332	432,702	152,387
Other	--	--	5,000	104,486	--	--	–	109,486	--	--
	$ 1,554	$403,156	$ 56,665	$ 370,143	$ --	$ --	$ –	$ 831,518	$ 669,413	$ 424,631
Other										
Admin Recovery	$ 33,480	$ --	$ --	$ --	$ --	$ --	$ --	$ 33,480	$ 25,150	$ 37,062
Contracts	5,167	100	--	5,078	99,000	–	–	109,345	301,272	330,153
Interest	48,903	--	--	--	--	--	–	48,903	21,000	21,480
Rents	70,193	–	--	920	--	--	–	71,113	97,000	135,762
Resale Items	--	28,116	2,071	42,208	764	36	–	73,195	76,300	82,710
Tuitions	--	177,281	185	210,696	2,166	--	–	390,328	355,612	377,560
Other	3,841	164	860	124	4,806	–	–	9,795	7,105	11,750
	$ 161,584	$205,661	$ 3,116	$ 259,026	$106,736	$ 36	$ –	$ 736,159	$ 883,439	$ 996,477
Total Revenue	$1,305,832	$693,733	$373,763	$1,587,129	$170,957	$ 64,405	$69,032	$4,264,851	$3,751,230	$3,659,167
Total Expense (Schedule 2)	1,348,785	627,911	389,223	1,413,774	148,560	101,758	70,293	4,100,304	3,751,230	3,614,040
Excess (Deficiency) of Revenue Over Expenses	($ 42,953)	$ 65,822	($ 15,460)	$ 173,355	$ 22,397	($ 37,353)	($ 1,261)	$ 164,547	$ –	$ 45,127

See Accompanying Notes

Schedule 1

CARLTON TRAIL REGIONAL COLLEGE
Schedule of Operating Fund Expenses by Function
for the year ended June 30, 1999

	GENERAL ADMINISTRATION			PROGRAMMING				SUPPORT SERVICES				
	Board	Admin.	Organiz.	Comm. & Individual Develop.	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services	1999 Total	Budget	1998 Total
Contractual and Professional Services	$ 1,008	$ 54,828	$ 26,775	$173,164	$ 55,312	$ 893,378	$ 71,245	$ 5,691	$ 345	$1,281,746	$1,381,427	$1,333,223
Rentals	244	50,515	43,694	29,333	25,630	72,892	18,680	6,097	253	247,338	310,349	306,698
Repairs and Maintenance	--	9,493	9,382	2,657	1,745	9,412	426	560	32	33,707	39,624	47,617
Operating (Schedule 3)	36,757	109,698	89,538	103,526	48,013	135,711	15,786	11,172	629	550,830	566,411	514,319
Personal Services	29,183	317,289	570,381	319,231	258,523	302,381	42,423	78,238	69,034	1,986,683	1,453,419	1,412,183
	$67,192	$541,823	$739,770	$627,911	$389,223	$1,413,774	$148,560	$101,758	$70,293	$4,100,304	$3,751,230	$3,614,040

See Accompanying Notes

Schedule 2

CARLTON TRAIL REGIONAL COLLEGE
Schedule of Operating Expenses
for the year ended June 30, 1999

	1999	1998
Operating Expenses		
Advertising	$ 39,712	$ 44,527
Association Fees and Dues	8,180	9,208
Bad Debts	3,400	--
Bank Charges and Interest	96	91
Computer Software	8,401	6,261
Conference and Training Fees	19,686	23,527
Insurance	6,785	8,901
Materials and Supplies	79,645	68,100
Postal, Freight and Courier	24,532	19,223
Printing and Duplicating	963	4,363
Resale Items	69,462	74,090
Subscriptions	1,521	1,193
Telephone and Fax	66,625	71,092
Travel	104,418	83,506
Utilities	30,109	21,900
Other	21,603	10,725
GST	48,606	42,768
Equipment under capitalization amount	17,086	24,844
Total	$550,830	$514,319

See accompanying notes.

CARLTON TRAIL REGIONAL COLLEGE
Schedule of Reserve Transactions
for the year ended June 30, 1999

	Balance beginning of the year	Add: Appropriations from unrestricted net assets	(Add: Interest allocated from unrestricted net assets)	Less: Transfers to unrestricted net assets	Balance, end of the year
Operating	$35,955	$60,000	$ --	$ --	$ 95,955
Capital--Future Expenditures	56,683	--	--	--	56,683
TOTAL	$92,638	$60,000	$ --	$ --	$152,638

See Accompanying Notes

CARLTON TRAIL REGIONAL COLLEGE
Notes to the Financial Statements
for the year ended June 30, 1999

1. PURPOSE AND AUTHORITY

The Carlton Trail Regional College offers educational services and programs under the authority of Section 14 of The Regional Colleges Act.

The Board of the Carlton Trail Regional College is responsible for administering and managing the educational affairs of the College in accordance with the intent of The Regional Colleges Act and its regulations.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles and include the following significant policies:

(a) **Fund Accounting**

The accounts of the College are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating Fund

The operating fund consists of those revenues and expenses relating to the general operations of the College.

(ii) Capital Fund

The capital fund reflects the undepreciated capital assets of the college and the equity of the College in capital assets, after taking into consideration any associated long term debt. The capital fund consists of transfers and donations designated for capital purposes by the contributor, net of the annual amortization expense. Also included in the capital fund are the appropriations for future capital expenditures.

(b) **Revenue Recognition**

The College follows the restricted fund method of accounting for grants. Restricted transfers related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Transfers restricted for capital assets are recognized as revenue of the capital fund when received or receivable.

Unrestricted operating transfers are recognized as revenue of the operating fund when received or receivable. Tuition and fee revenue is recognized as the course instruction is delivered. Revenue from contractual services is recognized as the service is delivered.

(c) **Capital Assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is charged on a straight-line basis over the estimated useful lives of the assets at the following terms, and is reported as an expense in the capital fund:

Buildings	20 years
Furniture and Equipment	3 to 5 years
Leasehold Improvements	Term of Lease

(d) **Inventories**
Inventories are recorded at the lower of cost and net realizable value.

(e) **Investments**
Investments are recorded at the lower of cost and market value.

(f) **Cash and Cash Equivalents** are represented by cash on hand and balances with banks.

3. ACCOUNTS RECEIVABLE

Accounts receivable are composed of the following:

	1999	1998
Saskatchewan Post-Secondary Education and Skills Training	$ 87,378	$ 99,653
Federal Government	54,906	36,557
Carlton Trail REDA	–	64,964
Other	81,518	80,903
	$223,802	$282,077

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	1999 Net Book Value	1998 Net Book Value
Land	$ 600	$ --	$ 600	$ 600
Buildings	198,975	66,632	132,343	142,292
Furnishings/Equipment	681,078	605,058	76,020	100,939
Leasehold Improvements	287,967	53,036	234,931	–
	$1,168,620	$724,726	$443,894	$243,831

5. COMMITMENTS

The College is obligated under the following lease agreements:

(a) Administration Building: A five year lease, expiring June 30, 2001, calls for monthly rental payments of $5,000 plus GST.

(b) Humboldt Collegiate Institute: An annual lease agreement requiring annual payments of $15,000 to operate the Office Education program expired June 30, 1999. Upon the completion of the Humboldt Education Centre in early 2000, a joint-use Operating Agreement currently being negotiated, will require annual maintenance payments estimated to be between $20,000 and $22,000.

(c) Cudworth SCN Site: A three year agreement entered in with the Wakaw School Division #48 effective July 1, 1997 specified a rental of $3,500 per year was terminated as the site was decommissioned.

(d) Watrous facility: An open ended lease (99 years) with Long Lake School Division specifying payment of operating costs only.

(e) Equipment: The College is committed to an annual lease payment of $9,285 plus sales taxes in respect of photocopier equipment. The lease expires February, 2002.

(f) Wynyard Facility: A 10 year lease expiring December 31, 2009 specifying payment of operating costs only.

6. ACCOUNTS PAYABLE

Accounts payable are composed of the following:

	1999	1998
Saskatchewan Post-Secondary Education and Skills Training--Trust Account	$ --	$ 55,098
Accrued Vacation Pay	54,177	17,672
Payroll and Employee Benefits	34,262	16,053
Trade Payables	63,970	147,549
Provision for Retro Pay	12,870	9,619
	$165,279	$245,991

7. DEFERRED REVENUE

Deferred revenue consists of transfers received to carry out specific activities in excess of the expenses incurred on those activities at the end of the fiscal year as follows:

	1999	1998
Saskatchewan Post-Secondary Education and Skills Training	$226,656	$323,046
Federal Government	1,043	-
Other	10,725	10,697
	$238,424	$333,743

8. LONG TERM DEBT

	Interest Rate	Annual Repayment Terms	1999	1998
Royal Bank of Canada secured by mortgage on welding shop	Prime + 1%	$18,000 principal & interest	$22,200	$37,573
Less: Current Portion			(16,935)	(16,161)
			$ 5,265	$21,412

The interest and principal repayments for the next five years are:

	Interest	Principal
2000	$1,065	$16,935
2001	105	4,477
2002	--	--
2003	--	--
2004	--	--

9. RESTRICTIONS ON NET ASSETS

The Board of Directors of Carlton Trail Regional College have placed internal restrictions on $152,638 (1998 - $92,638) of unrestricted net assets to be used for future expenditures. These internally restricted amounts are not available for other purposes without approval of the Board of Directors. External restrictions consists of $573,884 (1998 - $728,000) for capital projects in subsequent periods received from Saskatchewan Post-Secondary Education and Skills Training.

10. BUDGET AMOUNTS

The budget submitted with the Business Plan was prepared by Regional College management with Board approval given on July 27,1998. Ministerial approval was received June, 1999.

11. RELATED PARTY TRANSACTIONS

These financial statements include transactions with related parties. The College is related to all Saskatchewan Crown Agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the College is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms.

	1999	1998
Sask Tel Expenses	$ 70,211	$ 67,640
Sask Power &Energy Expenses	23,693	23,484
SIAST	490,730	572,452
Sask. Property Management	51,533	49,173

During the year the College continued a contract with Saskatchewan Communications Network (SCN) to deliver various training and educational programs. The College received $99,000 during the year from SCN for these programs (1998, $99,000).

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

12. FINANCIAL INSTRUMENTS

(a) The carrying amount of cash and temporary investments, accounts receivable, accounts payable and accrued salaries and vacation payable approximates fair value due to the short term maturity of these instruments. There are no significant terms or conditions related to these financial instruments that may affect the amount, timing, or certainty of future cash flows.

(b) The College is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the college's receivables are from the provincial and federal government, therefore, credit risk is minimal.

13. PENSIONS

Employees of the college participate in one of two pension plans. Teachers and other employees holding a teaching certificate participate in a defined benefit plan, the Teachers' Superannuation Plan (TSP) which is administered by the Teachers' Superannuation Commission. The college has no financial obligation to TSP. Eligible employees contribute to TSP for their current service. No matching contribution is made by the Board. The General Revenue Fund is responsible for the financial obligations of the TSP. All other employees participate through Municipal Employees' Pension Plan (MEPP) which is a multi-employer defined benefit plan. The last actuarial valuation of the MEPP indicated there was a surplus in the plan. The college's financial obligation to the MEPP is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year amounted to 1999 - $38,023, (1998 - $27,470).

14. SASKATCHEWAN CAP YOUTH PROJECT

During the year the College entered into an agreement with Industry Canada to pay wages to employees of the NetCorps Canada Community Access Program Youth Employment Project for the Province of Saskatchewan. The project employs youth in rural communities to ensure that Canadians in remote and rural areas have affordable access to the information highway.

An administration margin of approximately $19,000 was anticipated from the agreement. During the year, wages totalling $269,529 were paid out to 146 employees.

15. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved. Management has initiated a process to identify areas that may be vulnerable to the impact of the year 2000 issue and to gain assurances from suppliers surrounding compliance.

CARLTON TRAIL REGIONAL COLLEGE
PUBLIC ACCOUNTS DISCLOSURE
For the Year Ended June 30, 1999

Listed are non-unionized employees who received payments for salaries and wages, which total $2,500 or more:

Barber, Rob	$ 59,044.87	
Fleischhacker, Marliss	60,160.52	
Holaday, Dale	3,789.00	
Ulrich, Sheri	19,967.31	
Varga, Pat	22,504.70	
Warner, Cindy	15,238.04	$ 180,704.44
Non-management payees under $2,500 per individual (1)		1,507.14
Unionized employees		1,257,945.67
CTRC Payroll		1,440,157.25
CAP Payroll		341,693.38
Subtotal		1,781,850.63

Listed are payees who received $20,000 or more for the provision of goods and services, including office supplies, advertising, contracts and equipment:

Doepker Industries	38,142.48	
Drake Meat Processors	25,971.07	
Fishing Lake 1st Nations	23,035.88	
Don Froehlich	34,859.34	
Humboldt Desk & Disk	35,328.01	
Humboldt Collegiate	79,512.27	
Humboldt Holdings	64,200.00	
Insurance Associates	21,531.00	
Parkland Regional College	26,810.00	
SaskPower	23,692.99	
Saskatchewan Property Management Corporation	51,533.26	
SaskTel	70,210.55	
Sask Trucking Association	69,701.19	
SIAST Kelsey	92,394.92	
SIAST Palliser	142,781.04	
SIAST Wascana	60,324.71	
SIAST Woodland	145,269.71	
St. Peter's College	60,304.37	
Stomp Pork Farms	74,712.40	
Sunnyland Poultry	117,936.74	
Payees under $20,000	1,060,201.26	
Subtotal		2,318,453.19
TOTAL EXPENDITURES		$4,100,303.82